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Senate Budget & Fiscal Review
4/04/2005

Page 1 of 3

Outcomes from Subcommittee No. 3 for Monday, April 4, 2005

(Please use Agenda as a reference for this document.)

B. DISCUSSION ITEMS—CMAC (Page 2)

1. CMAC Commission Salaries (Page 2)

- **Action:** Reduced by \$343,000 (total funds) *and* adopted trailer bill legislation as contained in the agenda to reflect the revised salary level of \$50,000 annually plus the wage adjustment factor. This action represents a compromise and is taken in lieu of SB 1083, as introduced.
- **Vote:** 3-0

Item 4260--Department of Health Services

B. DISCUSSION ITEMS-- THE MEDI-CAL PROGRAM (Page 5)

1. Fiscal Appropriations for Funding of Nurse-to-Patient Ratio (Page 5)

Action: (1) Adopted Budget Bill Language (hand out--and as shown below), and (2) adopted uncodified place holder trailer bill language to have the DHS licensing division review for compliance regarding the nurse-to-patient ratio.

Vote: 2-1 (Runner)

Budget Bill Language:

Item 4270 California Medical Assistance Commission

As permitted under Section 6254 (q) of the Government Code, the California Medical Assistance Commission (CMAC) shall make entire hospital inpatient contracts and amendments open to inspection by the Joint Legislative Audit Committee and the Legislative Analyst's Office to review. The purpose of this review will be to determine if the CMAC is operating effectively and efficiently in negotiating hospital contracts.

2. Quality Improvement Fees--\$294 million in Revenues Not Captured (Page 10)

- **Action:** Adopted LAO recommendation and increased General Fund revenues by \$294 million.
- **Vote:** 3-0

3. Quality Improvement Fee—Medi-Cal Managed Care Plans (Page 11)

- **Action:** Adopted the budget as proposed pending receipt of May Revision.
- **Vote:** 3-0

4. Cost-of-Living & Quality Improvement Fees-- Skilled Nursing (Page 13)

- **Action:** Adopted the budget as proposed pending receipt of May Revision.
- **Vote:** 3-0

5. Joint Discussion on Prenatal Care Federal Fund Shift (Page 15)

- **Action #1:** Assumed receipt of the federal S-CHIP funds for the Prenatal Care Services to Undocumented Women Program and AIM Program, including the General Fund appropriation for AIM as needed to draw the federal match. (Please note that the appropriation of the unencumbered Proposition 99 Funds will be done at a later hearing.)
- **Vote:** 3-0
- **Action #2:** (1) Adopted placeholder trailer bill language, as stated in the agenda, to reaffirm a woman's right to reproductive privacy and to assure that comprehensive prenatal care services are provided to women, (2) Requested the DHS and MRMIB to provide the Subcommittee with a draft of the proposed State Plan Amendment prior to its submittal to the federal CMS (mid-April).
- **Vote:** 2-1 (Runner)

6. Administrations Proposal to Implement a Premium (Page 18)

- **Action:** Rejected the Premium proposal—both the funding and the trailer bill language.
- **Vote:** 2-1 (Runner)

7. County Performance Standards--Medi-Cal to Healthy Families Bridge (Page 23)

- **Action:** (1) Adopted trailer bill legislation as shown in the agenda on pages 26 and 27, (2) approved four Associate Governmental Program Analyst positions (two permanent and two on a two-year limited-term basis), and (3) deleted all other proposed contracts related to county performance monitoring and the bridge (oversight monitoring, IT vendor and the like).
- **Vote:** 2-0 (Runner absent)

8. Proposed Changes to the Existing Single Point of Entry Process for Children

- **Action:** Rejected the entire proposal (trailer bill language and the funding).
- **Vote:** 2-0 (Runner absent)

9. Governor Proposes to Capitate Adult Dental in Denti-Cal at \$1,000 (Page 30)

Held Open for further discussions.

10. Program of All-Inclusive Care for the Elderly (PACE) (Page 34)

- **Action:** (1) Increased by \$200,000 (\$100,000 General Fund) and provided the DHS with two analyst positions (two-year limited-term) to process PACE applications, and (2) adopted Budget Bill Language regarding DHS performance measures (to be written by Diane Van Maren).
- **Vote:** 2-0 (Runner absent)

11. Administration's Proposed Acute Long-Term Care Program (Page 36)

Held Open pending further discussions.

12. Administration's Medi-Cal Managed Care Proposal—Informational Only (Page 41)

Informational, no action needed.

13. Disease Management Pilots: Status Update and Funding Level (Page 45)

- **Action:** Deleted \$2 million (\$1 million General Fund) to reflect a six-month implementation amount due to the DHS delays.
- **Vote:** 2-0 (Runner absent)

14. Medi-Cal Assistance Claiming—Request for DHS Staff (Page 46)

- **Action:** Approved as budgeted.
- **Vote:** 2-0 (Runner absent)